

~~SECRET~~
CONTROLLED DISSEM

NIE 73-67
4 May 1967

NATIONAL INTELLIGENCE ESTIMATE

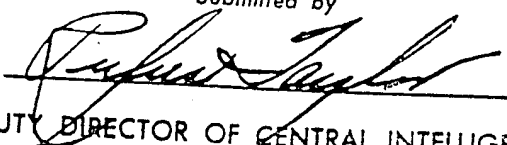
NUMBER 73-67

(Supersedes SNIE 73-64)

(Supplements: SNIE 70-2-66
SNIE 70-66
SNIE 72-65)

South Africa

Submitted by

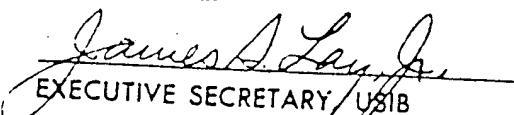

DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

Concurred in by the
UNITED STATES INTELLIGENCE BOARD

As Indicated overleaf

4 May 1967

Authenticated:


EXECUTIVE SECRETARY USIB

APPROVED FOR RELEASE

4/01 b1 b3

~~SECRET~~
CONTROLLED DISSEM

No 446

~~SECRET~~

The following intelligence organizations participated in the preparation of this estimate:

The Central Intelligence Agency and the intelligence organizations of the Departments of State and Defense, and the NSA.

Concurring:

Dr. R. J. Smith, for the Deputy Director, Central Intelligence

Mr. Thomas L. Hughes, the Director of Intelligence and Research, Department of State

Vice Adm. Vernon L. Lowrance, for the Director, Defense Intelligence Agency

Mr. Oliver R. Kirby, for the Director, National Security Agency

Abstaining:

Dr. Charles H. Reichardt, for the Assistant General Manager, Atomic Energy Commission and Mr. William O. Cregar, for the Assistant Director, Federal Bureau of Investigation, the subject being outside of their jurisdiction.

WARNING

This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited.

GROUP 1
Excluded from automatic
downgrading and
declassification

~~SECRET~~

~~SECRET~~

CONTENTS

	Page
THE PROBLEM	1
CONCLUSIONS	1
DISCUSSION	3
I. INTRODUCTION	3
II. BACKGROUND AND CURRENT POLITICAL SITUATION	3
A. In the White Community	3
B. Among the Nonwhites	4
III. APARTHEID: RACIAL POLICY AND PROSPECTS	5
IV. THE ECONOMIC SITUATION AND PROSPECTS	10
V. EXTERNAL AFFAIRS	12
A. General	12
B. South-West Africa	13
C. Southern Rhodesia	14
D. Angola and Mozambique	14
E. Black African States	14
F. Relations with the West	15
G. Relations with the US	16

~~SECRET~~

~~SECRET~~

SOUTH AFRICA

THE PROBLEM

To estimate developments in South African domestic and foreign policy over the next five years.

CONCLUSIONS

A. [REDACTED]

B. The present South African Government, under Prime Minister Vorster, has made some effort to promote good relations with neighboring black African states. Its hopes of improving relations with tropical black African states are unlikely to be realized. It is likely to maintain its current support of the Smith regime in Southern Rhodesia. (Paras. 30, 32-33)

C. We believe it highly unlikely that South Africa will voluntarily give up South-West Africa or accept UN supervision of the territory. We further believe that any attempt forcibly to dislodge South Africa's hold on the territory would require a major military effort, probably including significant participation by the US. (Paras. 28-29)

D. South Africa especially wants to improve relations with the US and, if possible, to obtain some expression of US approval for its

¹ Mr. Thomas L. Hughes, the Director of Intelligence and Research, Department of State, believes that "resigning themselves" is not sufficiently descriptive of African reaction and prefers "cowed and politically inactive as the result of the government's repressive policies."

~~SECRET~~

~~SECRET~~

attempts to appear more flexible. It will probably permit the US to use present space and tracking installations at least during the period of this estimate, provided the US does not participate in significant sanctions against South Africa. We believe, however, that the whites will hold steadfastly to their policy of white dominance and that significant changes in South Africa's policies either in response to domestic developments or external pressures are highly unlikely in the next five years. (Paras. 37-38)²

² Rear Adm. Eugene B. Fluckey, Assistant Chief of Naval Operations (Intelligence), Department of the Navy, believes the economic, labor, and domestic conditions are overly drawn in the estimate, and that South Africa's foreign policy is more influenced by its relationship with other African states, and its desire to maintain buffer states in their present status quo, than is indicated in the estimate. He also believes the current situation, and the prospects for South Africa's future—in particular with regard to distribution of the products of the economy, political stability and easement of domestic difficulties—to be better than stated in the estimate.

~~SECRET~~

~~SECRET~~

DISCUSSION

I. INTRODUCTION

1. South Africa is now under great pressure from much of the world chiefly because of its racial laws and practices. The overwhelming concern of the whites in South Africa is that their historic dominance, indeed their very way of life, not be seriously menaced by the Bantu² who already outnumber them by more than 3 to 1. (See Table I.)⁴ This consuming fear affects virtually all government policies. The government's strength has been aided by a vigorous economy and the fact that the net effect of growing international criticism of its racial policies, together with troubles in newly independent Tropical Africa, has been to drive whites together. However, South Africa's racial attitudes have caused it to become something of an international outcast. In this sense it feels itself a beleaguered state.

II. BACKGROUND AND CURRENT POLITICAL SITUATION

A. In the White Community

2. South African society is based on the supremacy of the whites, politically, economically, and socially. The whites, particularly the Afrikaners, regard South Africa as theirs by settlement and development. They claim that they built up a largely unpopulated area by their efforts and that the Bantu were drawn to the area by the accomplishments of the whites. They further feel that it is only white dominance which can keep the prosperity which all enjoy, black and white alike. The whites are convinced that any concessions to the Bantu will inevitably lead to black domination through their weight of numbers, with a consequent disintegration of the country.

3. The Nationalist Party is primarily the political vehicle of the Afrikaners. In the 1966 general elections the Nationalists (then led by the late Prime

²The official South African term for the black Africans. White refers to people of European extraction, including both the English-speaking South Africans of British descent and the Afrikaners, the Afrikaans-speaking descendants of Dutch, Huguenot, Flemish, and German settlers. The term "Colored" refers to those of mixed blood.

TABLE I

POPULATION (1960 Census)

Province	White	Colored	Asian	Bantu	TOTAL
Cape of Good Hope	997,377	1,314,392	20,243	2,976,827	5,308,839
Natal	340,293	43,093	394,237	2,155,824	2,933,447
Transvaal	1,455,372	105,217	62,918	4,601,545	6,225,052
Orange Free State	274,596	25,565	16	1,073,613	1,373,790
TOTAL	3,067,638	1,488,267	477,414	10,807,809	15,841,128

1965 Estimates of Totals

3,395,000	1,742,000	533,000	12,162,000	17,832,000
-----------	-----------	---------	------------	------------

~~SECRET~~

~~SECRET~~

Minister Hendrik Verwoerd) secured a heavy majority in the Parliament. The Nationalist extremists, who advocate the strictest form of racial domination, however, were badly beaten, and party leadership is now securely in the hands of Afrikaner bureaucrats and businessmen. In recent years it has attracted growing support from the younger English-speaking voters who are beginning to identify their interests with those of the Afrikaners.

4. Prime Minister Balthazar ("John") Vorster, who succeeded Dr. Verwoerd when the latter was assassinated in September 1966, is representative of the new crop of Nationalist leaders. A lawyer, his experience in government is chiefly that of Police Administrator and Minister of Justice. Thus far his style of governing has been pragmatic, with emphasis on reasonableness and affability. He has drawn on the top civil service and party ranks for Cabinet appointments, and ministers have enjoyed more responsibility than they did under his more autocratic predecessor. Nevertheless, he is gradually asserting his control over the party, and seems likely to become a strong Prime Minister.

5. The United Party (UP) furnishes the main opposition to the Nationalists, and finds its following principally among the English-speaking population, which comprises about 40 percent of the white community. The bitter differences between Afrikaners and English have diminished. The UP supports racial separation, though it would administer it in a more genteel manner, and its objectives are scarcely distinguishable from those of the Nationalists. The UP's support has gradually fallen away as a consequence of weak leadership, vague policies, and the loss of much of the support it once had from Afrikaners; it has no chance of assuming power. Nor is the Progressive Party, composed largely of upper-class English-speaking liberals, a significant political force, though its single representative in Parliament remains a vigorous critic of the government.

B. Among the Nonwhites

6. The two most important black African political movements, the African National Congress (ANC) and the Pan Africanist Congress (PAC), are officially banned and exist largely as exile organizations based in Dar es Salaam and London. Both also suffer from serious weaknesses in leadership, finances, and organization.

Significantly, the ability of either organization to conduct campaigns of violence or sabotage, which at one time appeared fairly good, has been stifled. In large part this is due to a highly effective police apparatus (greatly aided by Bantu informers), backed by an array of stern legal measures.

7. Political expression by the nonwhite population has been almost completely suppressed by the government. The political impotence of the nonwhites is also in part the result of the fragmentation of the races. While the individual rights of the nonwhite have been steadily reduced he has, nevertheless, had some share in the economic prosperity.

~~SECRET~~

~~SECRET~~

They are disposed to leave the struggle for political rights and majority rule to a later generation which will be numerically stronger. The Coloreds and Asians, who are somewhat better off than the Bantu, display scant inclination toward concerting with them; even if they did they have only marginally more economic or other resources than the Bantu.

III. APARTHEID:⁶ RACIAL POLICY AND PROSPECTS

8. After the Nationalist Party came to power in 1948, the Afrikaner leadership took sweeping and systematic action on the racial problem. The policy of apartheid was developed, and the largely *de facto* separation of the races was made *de jure*. Apartheid consists of a host of statutes and regulations, designed to separate the races at all levels of society. Afrikaners maintain that apartheid is not based on racial animosity, but purely on grounds that the races are different and should follow different paths of development. A dwindling number of liberal whites still offer organized opposition to apartheid, but they are intimidated and penalized. Virtually all whites support white supremacy and have come to accept some measure of apartheid and Nationalist Party guidance on racial matters. A large number, however, dislike and deplore the plethora of petty and humiliating regulations that apartheid has brought in its wake.

9. The "Bantustan"⁷ concept is one of the central features of the apartheid policy. Lands are set aside for the Bantu, termed reserves or Bantu "homelands," and include some 13 percent of the total area of South Africa on which some 70 percent of the population is to be settled. About 4 million, or nearly one-third, of the Bantu live there now. (See Map.)

10. The government sets considerable store by the Bantustan concept as the "best" means of reversing the migration of the Bantu to urban centers while providing a livelihood for them elsewhere. Despite a great deal of talk about Bantustans, they have progressed slowly, and only one, in what was the Transkei Reserve, has been formed. This is due to the very difficult political, geographic, and economic problems involved in their establishment. The reserves exist largely at a subsistence level and there is very little to offset the attraction of the cities. Moreover, the government has failed to provide the

⁶Mr. Thomas L. Hughes, the Director of Intelligence and Research, Department of State, believes that "resigning themselves" is not sufficiently descriptive of African reaction and prefers "cowed and politically inactive as the result of the government's repressive policies."

⁷The Afrikaans term for separate development.

⁸A Bantustan is to be a homeland for a particular set of Bantu, a tribally-centered, self-governing unit which is to remain under South Africa's control for a while, but over time could establish a confederal or commonwealth relationship within the South African economy. South Africans describe this as political independence (though it is left vague as to who would conduct a Bantustan's foreign relations) and economic interdependence.

~~SECRET~~

~~SECRET~~

large amount of development capital required if the reserves are to industrialize so they can sustain greatly increased numbers.

11. Meanwhile, despite "influx control,"⁸ the African population in the white areas has grown by 15 percent in the past three years—about double the natural increase. In no major city are the whites in a majority and Pretoria is now the only city where whites form the largest racial group (see Table II).⁹ White employers who apply to the government for more workers are seldom turned down and the necessary labor is often recruited in the reserves. Net white immigration, chiefly from Europe, has averaged about 30,000 during the last five years, but it is becoming apparent that white immigration cannot preserve even the present ratio between the races. South African Government planners estimate that by 1971 there will be about 27,000 more jobs than there are available whites (see Table III).¹⁰ It seems highly unlikely, therefore, that the Bantustans will absorb significant numbers of urban Bantu in the next five years.

12. Aware that his mandate is to preserve white domination, Vorster is unlikely to make any basic relaxation in racial policy. Indeed, he seems disposed at present to accelerate the creation of Bantustans. He is, however, apparently willing to jettison a few needless indignities ("petty apartheid") in order to mollify the many whites who support racial separation but prefer it to be enforced unobtrusively and without undue harshness. For example, apartheid barriers have been relaxed to allow nonwhites to compete in international sporting events.

13. Enforcement of many apartheid restrictions against nonwhites is as rigid as ever. Pass laws are enforced diligently and roundups of suspected evaders

⁸ The system that governs movements by Bantu into and out of places designated as white urban areas. By this tactic, the government seeks to assure an adequate Bantu labor force in the urban industrial regions without being inundated.

TABLE II

POPULATION OF MAJOR METROPOLITAN AREAS 1963 (Estimate)

City	White	Colored	Asian	Bantu	TOTAL
Johannesburg	428,000	66,000	31,000	699,000	1,224,000
Cape Town	317,000	455,000	9,000	80,000	860,000
Durban	210,000	30,000	258,000	240,000	737,000
Pretoria	224,000	8,000	9,000	223,000	464,000
Port Elizabeth	100,000	75,000	4,000	139,000	319,000

TABLE III

ESTIMATED POPULATION CHANGES BY RACE (in thousands)
(for the five years ending 30 June 1966)

	1961	1966	Percent Increase
Whites	3,117	3,481	11.7
Coloreds	1,548	1,805	16.6
Asians	486	547	12.6
Bantu	11,132	12,465	12.0

~~SECRET~~

~~SECRET~~

are frequent. The Coloreds and Asians continue to exist in a kind of ethnic limbo between the white and Bantu communities, but their removal from white residence and business areas is being accelerated under the Group Areas Act. The separation of educational facilities and the development of curricula tailored to the different races continue.

14. In this milieu of political and economic inequality, hostility and suspicion between the races will inescapably mount. It has been argued that as the need of the economy for manpower brings more Bantu and other nonwhites into more skilled jobs, they will necessarily acquire an importance which will be reflected in greater political rights. It is sure that as the level of nonwhite participation in the economy rises, there will be greater demand for increased political and social rights. At the same time, the will of the whites to preserve their way of life by whatever means remains firm. While an increase in the rights of the nonwhites may occur over a long period, there is now no evidence of any movement in this direction. Internal developments which could shake white rule will almost certainly not occur for many years to come.

15. Over the much longer run, say a decade or two, changes in the social order are almost certain. In addition to the inherent contradictions between the policy of political and social segregation and the requirements of the economy for labor, other forces are at work which could decisively affect the course of events.

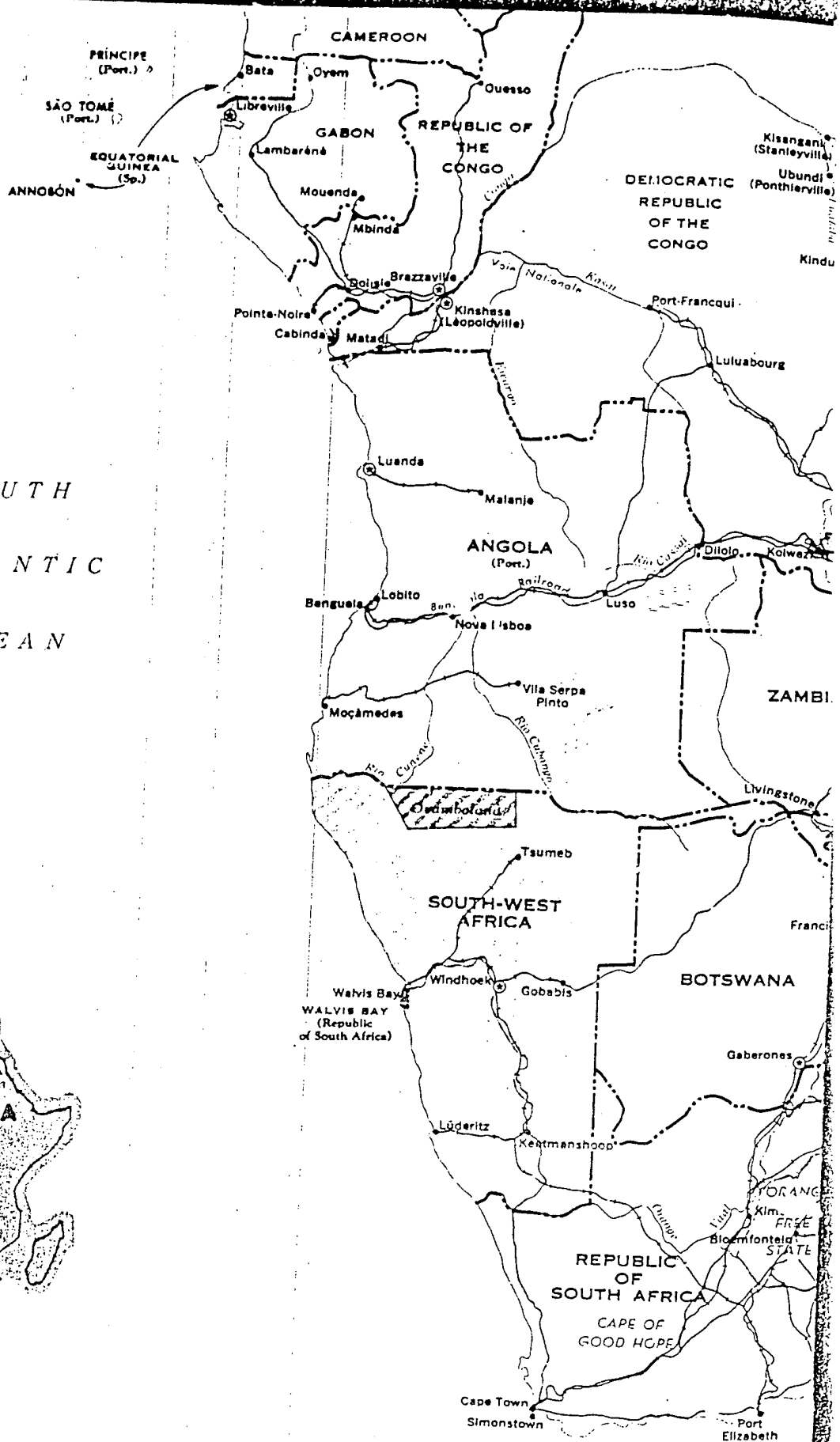
16. Pretoria must eventually make up its mind about the Bantustans. It may make only nominal gestures toward establishing Bantustans, or it may not be willing or able to provide the substantial financing which a major Bantustan program would require. Under either of these alternatives, one of apartheid's cornerstones would have crumbled, and an argument which has soothed white consciences with the promise that something was being done for the Bantu would have vanished. This might have a significant psychological effect on the white establishment. It could provide an opening for liberal tendencies, for example in the Afrikaner business community, to make themselves felt in the formation of government policy. It might produce a realignment of political parties in which moderates and commercial interests could concert on a program to improve racial relations. Or it could result in greater attention to more extreme solutions such as partition, or a return to *baasskaap* (white dictatorial rule).

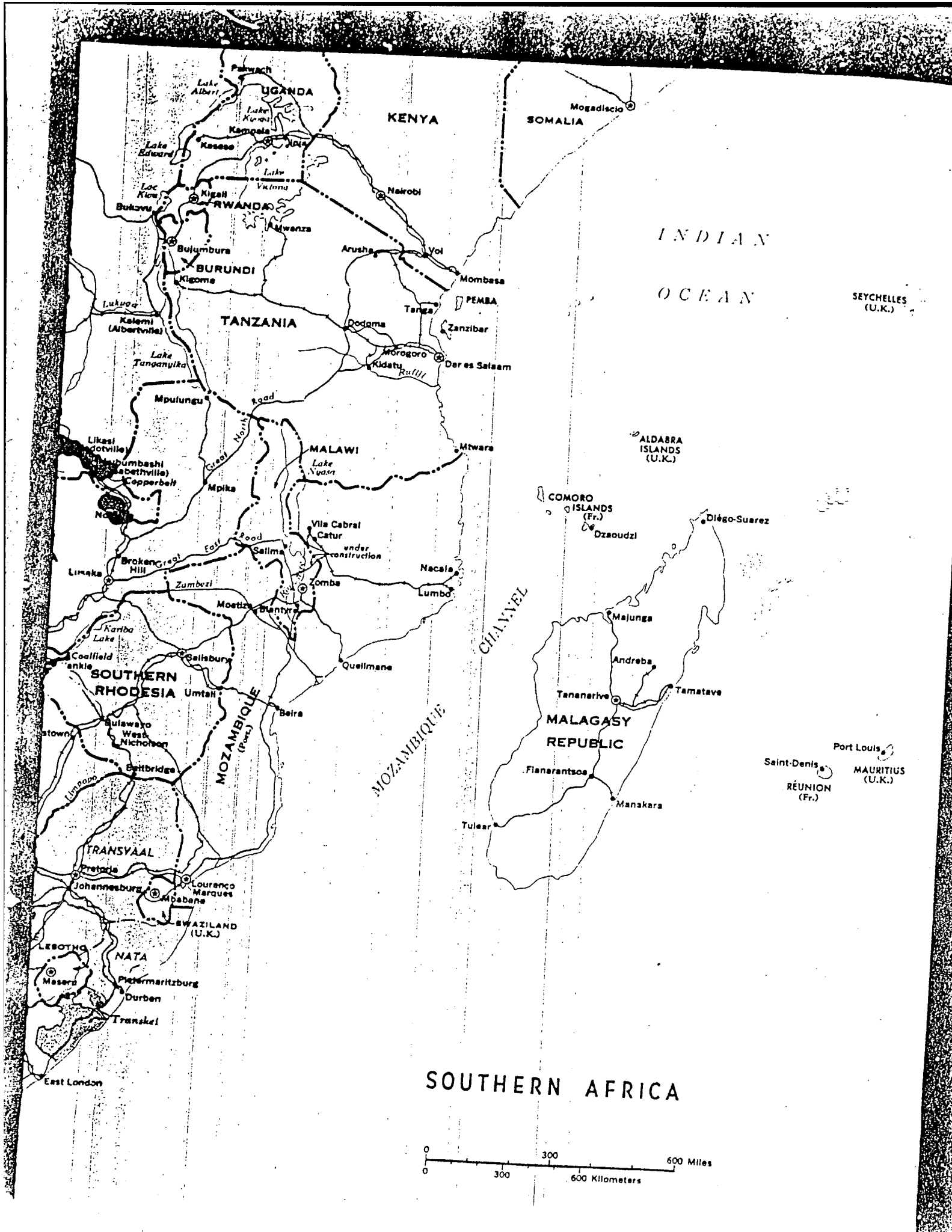
17. On the other hand, if more Bantustans are formed and are adequately financed, this too may set in train forces which cannot be easily controlled. Growing political awareness among the Bantu once they are given a taste of self-government probably would lead to greater political activity, and possibly to unity, among the rural Bantu. The Transkei legislature has already shown some independence of mind. Should several Bantustans come together over some issue, the government would be forced either to suffer serious embarrassment or to exercise those retained powers which would make a mockery of its claims that the Bantu can have self-government.

~~SECRET~~

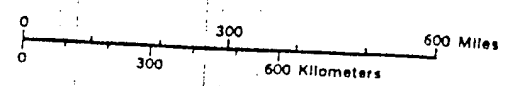


SOUTH
ATLANTIC
OCEAN





SOUTHERN AFRICA



~~SECRET~~

18. Most whites, however, still tend to shrink from contemplation of the vast reality of black South Africa, and the implications of apartheid. Instead, they rely increasingly on the government as their surrogate, placing their confidence in the powerful police and defense establishment and taking refuge in the administration's ability to devise day-to-day adjustments to apartheid's most clumsy manifestations. It is a mark of the times that leadership of the Nationalist Party has shifted to "organization men" by nature disposed to seek pragmatic accommodations while preserving white hegemony, but who will probably delay as long as possible decisions which could lead to dramatic changes in the society. The whites will continue to play for time, believing that

much of the world will eventually be persuaded that black Africans are not ready for political autonomy and that South Africa's racial policies are just and necessary. But in the next decade or two, challenges to the present social system will come and may involve serious racial violence.

IV. THE ECONOMIC SITUATION AND PROSPECTS

19. South Africa possesses a strong and diversified economy. Over the last five years its real growth rate has approached 6 percent yearly, and though it contains only 6 percent of Africa's estimated total population, South Africa supplies nearly a quarter of the Continent's product which enters the monetary economy. South Africa has benefited greatly from two advantages. Its large gold resources (74 percent of Free World production) have financed much of the national growth and still play an important role in underwriting South Africa's favorable balance of payments position. Also, there has been available a large pool of very cheap unskilled nonwhite labor; nonwhites number 3.6 million of a total labor force of 5.2 million. (See Table IV.)¹¹

20. Mining remains the backbone of the money economy; in 1966 gold output alone accounted for 40 percent of exports.¹² But, since 1960 manufacturing has

TABLE IV
EMPLOYMENT
(1964-1965)

	Whites	Nonwhites *	TOTAL
Mining	68,000	556,000	622,000
Manufacturing	234,000	693,000	927,000
Construction	38,000	145,000	181,000
Transport	114,000	110,000	224,000
Communications	32,000	12,000	44,000

NOTE: About 1,701,000 of the population are engaged in agriculture, of which 1,455,000 are Bantu and 118,000 are whites (80 percent Afrikaners).

* About 500,000 Bantu migrants from other southern African countries are included in these totals.

¹² Copper, uranium, platinum, asbestos, manganese, iron ore, chrome (50 percent of total US chrome imports), tin, and vanadium are other important mineral products.

~~SECRET~~

~~SECRET~~

increased more than 50 percent, and now accounts for over 25 percent of the gross domestic product. Meanwhile, even though only about 12 percent of South Africa is arable and water supplies are becoming increasingly tight, post-World War II growth in agriculture has made the country virtually self-sufficient in foodstuffs; South Africa now exports about a third of its agricultural and fishery products. The only important resource deficiency is petroleum; no petroleum has been found though about 7 percent of domestic requirements are met by synthetic production. South Africa, however, meets all but about 15 percent of its power needs from other domestic sources, chiefly from abundant coal deposits.

21. High levels of foreign trade and foreign investment are also important characteristics of South Africa's economy. Total trade continues to thrive, rising from \$3.5 billion in 1960 to \$5 billion in 1965, as both imports and exports have increased markedly. Most of South Africa's trade still is with Western Europe and North America. The UK remains its most important trading partner (in 1965 two-way trade amounted to \$1.2 billion). The US is next, supplying a fifth of South Africa's imports and purchasing about 15 percent of its exports. Foreign investment is welcomed in South Africa. It now amounts to about \$4.5 billion; the UK's share is at least \$2.7 billion and that of the US approximately \$670 million. The South Africans apparently believe that large-scale US and UK investments and trade provide a formidable deterrent to any application of sanctions by these powers.

22. Yet South Africa's racial practices hamper more rapid economic growth. Job reservation restricts numerous positions to whites with the result that many of them perform inefficiently in their protected positions. Because of urgent labor needs, to be sure, job reservation is often honored in the breach. Nevertheless, the inadequacy of training facilities for nonwhites contributes to the rising shortage of skilled and semiskilled labor.

23. There is significant unemployment and underemployment among Bantu on the reserves, in part because they cannot fill jobs in the industrial and urban areas due to job reservation policy and the strict controls which prevent their leaving the reserves. The government plans to deal with this growing problem by encouraging "border industries" on the fringes of the reserves. This program is unlikely to have much success since there are many disadvantages which are not balanced by easy access to Bantu labor. Pretoria now estimates that by 1969 there will be some 160,000 nonwhites on the reserves registered as seeking employment. However, Vorster has made some moves to make apartheid economically more attractive to nonwhites. For example, he has moderated previous policy so as to permit South African development corporations to invest in the Transkei. Also, he has indicated that he will restrict urban industrial expansion, and this should indirectly encourage the establishment of more border industries.

24. Despite an already high degree of self-sufficiency, South Africa's policies aim at a greater degree of autarky. This sentiment has grown as a consequence

~~SECRET~~

~~SECRET~~

of recurrent threats of sanctions in the UN, and because the government is determined that, whatever the price, it will not be caught short should economic sanctions ever be applied against it. Largely to expand domestic military production, defense spending this year will total over \$350 million. And the administration is currently engaged in numerous programs both to encourage exploration for petroleum at home and to insure continued access to supplies abroad. Burgeoning expenditures to achieve self-sufficiency have been a major source of troubling inflationary pressures during the last few years. Yet the government, strongly backed by the white community, considers these outlays to be unavoidable and is likely to maintain a variety of measures, such as import controls and high taxes, in an effort to keep prices under control.

25. Generally favorable economic trends notwithstanding, the economic inefficiency of apartheid and the limitations it places on economic growth will gradually become an increasing burden. Industry's demands for additional labor can only be fully met by increasing employment of nonwhites. But this will create more doubts about the feasibility of the Bantustans and related policies such as border industries and job reservation.¹³ In present circumstances, we believe that the government will continue to turn Nelson's eye toward many violations of apartheid to meet immediate commercial needs, and will probably postpone fundamental changes in policy for a long time.

26. Furthermore, we believe that South Africa's economy will remain strong over the period of this estimate at least, though the growth rate probably will diminish a little. The government will continue to push for autarky in some sectors even at some considerable detriment to the economy as a whole. It will also seek new markets and investment particularly in France, West Germany, and Japan. Indeed, the prospects for a continued high rate of foreign investment generally are good. In the unlikely event that the UN attempts to enforce economic sanctions or boycotts against South Africa, they would not seriously damage the economy except in the remote event that all Pretoria's major trading partners joined in them.

V. EXTERNAL AFFAIRS

A. General

27. Although white South Africans, when under violent assault at the UN or in other international forums, would like to achieve some appreciation and understanding of their position, most of the time they are stubborn and unyielding to international admonitions. Recently, Vorster launched a vigorous campaign to improve South Africa's international image. He has also capitalized on and expanded Verwoerd's initiatives to seek closer cooperation with neighboring black African countries which are prepared to accept South Africa on its own

¹³ There will be more talk of automation, but this would create as many problems as it solved. Automation draws off needed investment and capital which could be used to far greater advantage elsewhere, and it would have the effect of greatly exacerbating Bantu unemployment with attendant social and political risks.

~~SECRET~~

~~SECRET~~

terms. Meanwhile, however, South-West Africa and Southern Rhodesia remain South Africa's most immediate international problems, principally because they are live issues in the UN.

B. South-West Africa¹⁴

28. The South Africans recognize that the continuing dispute over their mandate in South-West Africa is their most difficult and potentially most troublesome external problem. Pretoria strongly holds that the International Court of Justice decision in July 1966 favored its case, and that subsequent action by the UN General Assembly to terminate its mandate was illegal. More importantly, South Africa regards control of South-West Africa as vital to its security. South Africa derives some economic benefit from the territory's mineral and fisheries production of over \$190 million annually. But the economic interest is not decisive. South Africa's extensive development program and its recent offer to establish a Bantustan-like administration in Ovamboland (home of about 45 percent of the Bantu in South-West Africa), backed by a greatly stepped up security presence, attest to its determination to hold on to the territory. Despite some guerrilla incursions (via Zambia and Angola) from black nationalists based in Tanzania, we believe that insurgency will remain of minor importance because of strong security measures, the tribal animosities among the Africans, and the difficulty which infiltrators have in reaching this remote territory.

29. Divisions within the UN's Ad Hoc Committee on South-West Africa regarding "practical measures to administer the territory prior to independence" and its failure to make a firm recommendation to the General Assembly, adds to South Africa's doubts that the UN will be able to apply sanctions or force it out of the area. The South Africans have made some cooperative gestures, e.g., they have agreed to make available to the UN information on South-West Africa, though they have displayed no interest in talking to the Committee. They probably will make a few more additional gestures from time to time in the hope of easing international pressure. We expect that the South African Government will continue to try to appear forthcoming to the extent of talking to the US, UK, and other governments about the South-West Africa problem. It will, however, almost certainly adhere firmly to the line that the UN resolution divesting South Africa of jurisdiction over the area is invalid and without effect. Hence any dialogue with South Africa on this matter is highly unlikely to move that government towards making any meaningful accommodation with the UN. We believe it highly unlikely that South Africa will voluntarily give up the territory or accept UN supervision. We further believe that any attempt forcibly to dislodge South Africa's hold on the territory would require a major military effort, probably including significant participation by the US.

¹⁴ "The South-West Africa Issue was assessed at length in two Special National Intelligence Estimates which are still generally valid. They are: SNIE 70-66, "Probable Repercussions of the South-West Africa Issue," dated 2 June 1966 (SECRET) and SNIE 70-2-66, "Probable Developments Following the UN General Assembly Resolution to Terminate the South-West Africa Mandate," dated 1 December 1966 (SECRET).

~~SECRET~~

~~SECRET~~

C. Southern Rhodesia¹⁸

30. South Africa's policy has enabled Ian Smith's regime to escape the worst effects of sanctions, and economic ties between the two countries are growing. South Africa has acted as a middleman for Rhodesian trade, especially for imports of POL, and as a source of credit. Yet despite widespread pro-Rhodesia sentiments at home, Pretoria has at times tried to persuade Smith to be more flexible in negotiating with the UK. Clearly, South Africa is worried that it may be sucked into this imbroglio further than it wishes to go, i.e., it would not wish to be Salisbury's chief economic prop, nor a target of economic sanctions directed primarily at Rhodesia. Vorster's policy probably will continue to be cautious and discreet. As time goes by with no solution of the Rhodesian problem and if the cost to South Africa of financing Rhodesian imports rises, Vorster is likely again to urge Smith privately to reach some accommodation with the UK. South Africa's public posture will probably continue to be one of support for Smith. South Africa has said repeatedly that it will not join in applying sanctions, and is convinced that successful sanctions against Southern Rhodesia would lead to renewed calls for sanctions against it. Even if South Africa became the target of UN sanctions, we believe it would not abandon its support of Smith.

D. Angola and Mozambique

31. The South Africans wish the Portuguese well in Angola and Mozambique, but they will continue to be careful to avoid entanglement in the insurgency there. Along with Southern Rhodesia and Portugal, South Africa shares a common interest in forestalling the rise of black African nationalist regimes in the so-called white redoubt. This has led to a certain amount of cooperation in the intelligence and defense fields, e.g., antiguerrilla sweeps on both sides of the Ovamboland border, but South Africa's disdain for Portuguese racial policies and differences on other interests have mitigated against across-the-board close relations or mutual defense agreements, and probably will continue to do so.

E. Black African States

32. Vorster has recently quickened the pace of South African efforts discreetly to build bridges to its poverty-stricken black African neighbors. A feature of these relationships has been the willingness of the South Africans to break precedent and to entertain black African diplomats without regard to racial restrictions. Leaders in Lesotho (ex-Basutoland), Botswana (ex-Bechuanaland), and Malawi candidly acknowledge that they must and will continue to depend on economic cooperation with the Republic, and South Africa seems willing to go some distance to assist these states so long as they do not harbor active

¹⁸ This situation is assessed in SNIE 72-65, "Repercussions of a Unilateral Declaration of Independence by Southern Rhodesia," dated 13 October 1965 (SECRET), which remains valid.

~~SECRET~~

~~SECRET~~

exile South African nationalists.¹⁶ By so doing, the South Africans also hope to impress other black African countries. We estimate that South Africa probably will provide important economic assistance, notably to Lesotho, since projects under consideration would also help farming and industry in the Transvaal and the Orange Free State. Economic assistance to other African states might give the Republic some experience in the problems of African countries and an opportunity to see the Continent in terms other than those of revolution and chaos. In the very long run this might have a moderating effect on domestic policy.

33. Vorster's hopes of establishing more tolerable relationships with the rest of black Africa will almost certainly be dashed, however. Probably South Africa will be able to continue trading with a number of states, e.g., Zambia, Kenya, and Congo (Kinshasa), despite condemnatory Organization of African Unity (OAU) and UN resolutions. But diplomatic relations with African states farther to the north seem unlikely and South Africa will continue to be the focus of black Africa's emotional hostility. On the other hand, the black African states will have neither the military forces nor economic resources to threaten South Africa for many years.

F. Relations with the West

34. South Africa values its affiliation with the West and never fails to stress its strong anticommunism and its present and potential importance to the West in military and strategic terms. By and large, however, the South Africans are perplexed by and critical of what they regard as a deep misunderstanding of their problems by Europe and North America. Thus it is the West, particularly the US, that is the primary target of Vorster's campaign to achieve greater sympathy for South Africa.

35. Despite differences of outlook and policy, Pretoria will seek to maintain good relations with the UK. For example, even though the UK has departed from the Simonstown naval base near Cape Town, South Africa permits continued UK access at all times and the UK's allies may use it in wartime. South Africa is also aware that British self-interest deters extreme UN measures; Pretoria probably estimates that the UK would veto any UN resolution calling for sanctions against it because they would seriously damage the UK's balance of payments.¹⁷ Still the prudent Afrikaners are apprehensive about the potential leverage of its major trading partners in the event of a confrontation with the UN, and this has manifested itself in a search for alternative political and trade connections, e.g., in West Germany, Japan, and to a lesser extent, South America.

¹⁶ Swaziland, the third of the former UK High Commission Territories, will probably receive its independence by 1970, and will probably establish a relationship with South Africa similar to that of Lesotho and Botswana.

¹⁷ The UK has continued to sell some military items despite the 1963 UN embargo on arms sales to South Africa.

~~SECRET~~

~~SECRET~~

36. France, however, has become the primary beneficiary of South African anxieties. French exports to South Africa have nearly trebled over the last five years and now stand at about \$90 million yearly. French investment and financial ties continue to grow. France sells armored cars, electronic equipment, Mirage III jet aircraft, and helicopters to the Republic, and will probably continue to furnish modern military weapons. A recent agreement with France will enable South Africa to purchase an undetermined number of the DAPHNE class submarines. France also has a tracking station in South Africa and is keen to gain access to South Africa's abundant uranium on terms which do not include the normal provisions for international safeguards. Finally, de Gaulle regards UN policy towards South Africa as interference in the latter's domestic affairs.

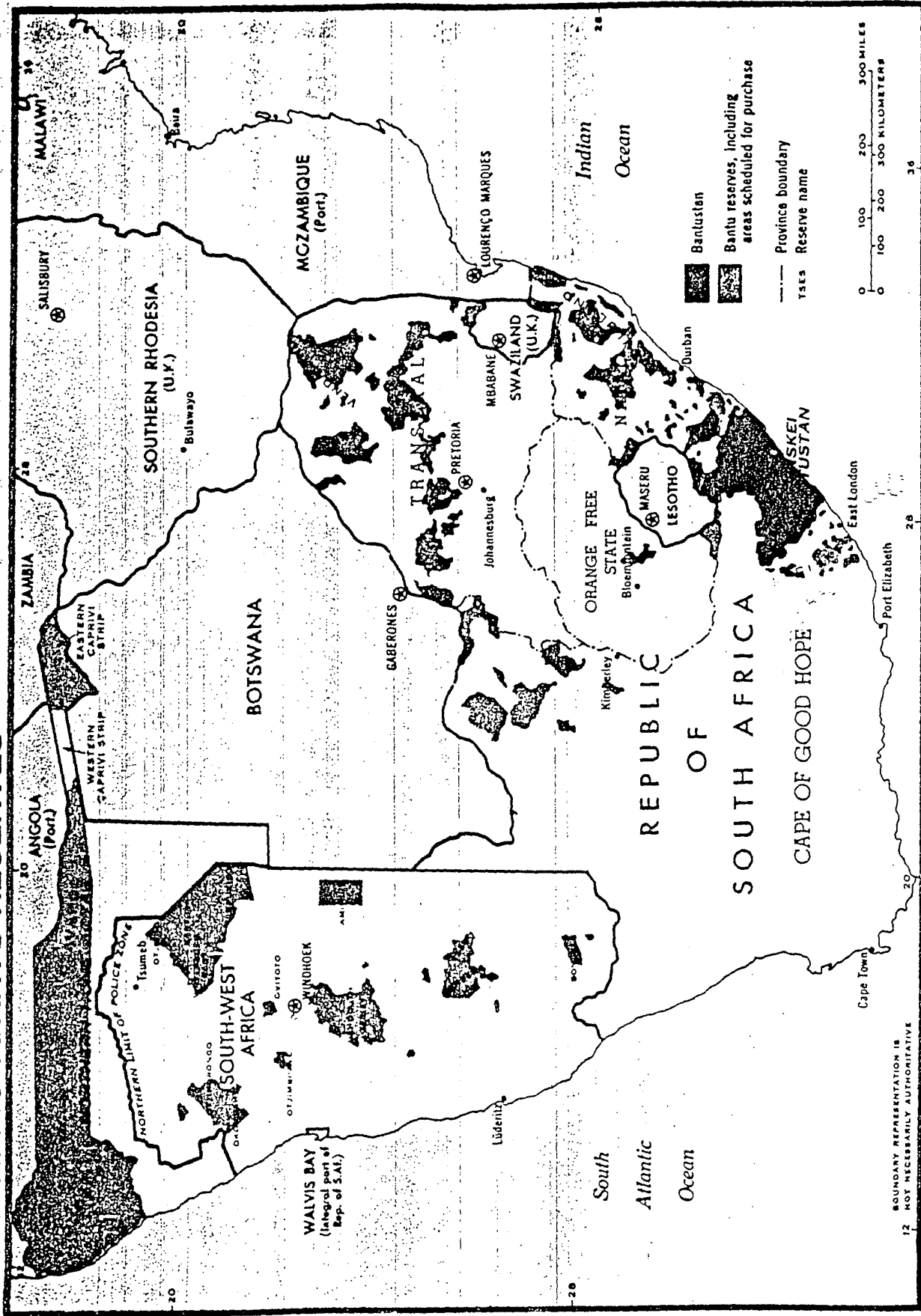
G. Relations with the US

37. South Africa particularly desires close relations with the US, which it regards as the leader of the West and the first line of defense against communism. The South Africans are concerned about US public opinion, though not so much as to give up what they consider vital interests, e.g., South-West Africa, or to yield political concessions to the black majority. South Africa encourages US trade and investment and, despite annoyance over the strict US enforcement of the UN arms embargo, continues to provide sites for US space and tracking facilities. Moreover, it has evidenced a willingness to downgrade difficulties arising over different racial practices, as demonstrated by Vorster's moderate reaction to the last-minute cancellation of shore-leave by personnel of the US aircraft carrier Franklin D. Roosevelt. Therefore, despite some increased anti-US sentiments, Pretoria will probably continue to permit the US to use present space and tracking installations at least for the period of this estimate, provided the US does not participate in significant sanctions against South Africa.

38. The South African Government craves public recognition by the West, especially the US, of its efforts to build relations with black African states, to be a little more flexible on South-West Africa, and to appear a little less intransigent in international racial contacts. We believe, however, that the whites will hold steadfastly to their policy of white dominance and that significant changes in South Africa's policies either in response to domestic developments or external pressures are highly unlikely in the next five years.

~~SECRET~~

SOUTH AFRICA: BANTU RESERVES



CENTRAL INTELLIGENCE AGENCY

DISSEMINATION NOTICE

1. This document was disseminated by the Central Intelligence Agency. This copy is for the information and use of the recipient and of persons under his jurisdiction on a need-to-know basis. Additional essential dissemination may be authorized by the following officials within their respective departments:

- a. Director of Intelligence and Research, for the Department of State
- b. Director, Defense Intelligence Agency, for the Office of the Secretary of Defense and the organization of the Joint Chiefs of Staff
- c. Assistant Chief of Staff for Intelligence, Department of the Army, for the Department of the Army
- d. Assistant Chief of Naval Operations (Intelligence), for the Department of the Navy
- e. Assistant Chief of Staff, Intelligence, USAF, for the Department of the Air Force
- f. Director of Intelligence, AEC, for the Atomic Energy Commission
- g. Assistant Director, FBI, for the Federal Bureau of Investigation
- h. Director of NSA, for the National Security Agency
- i. Director of Central Reference, CIA, for any other Department or Agency

2. This document may be retained, or destroyed by burning in accordance with applicable security regulations, or returned to the Central Intelligence Agency by arrangement with the Office of Central Reference, CIA.

3. When this document is disseminated overseas, the overseas recipients may retain it for a period not in excess of one year. At the end of this period, the document should either be destroyed, returned to the forwarding agency, or permission should be requested of the forwarding agency to retain it in accordance with IAC-D-69/2, 22 June 1953.

4. The title of this document when used separately from the text should be classified: FOR OFFICIAL USE ONLY

DISTRIBUTION:

White House
National Security Council
Department of State
Department of Defense
Atomic Energy Commission
Federal Bureau of Investigation